

ELLIS:LAWHORNE

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May 8, 2007

FILED ELECTRONICALLY AND ORIGINAL VIA 1ST CLASS MAIL SERVICE

The Honorable Charles L.A. Terreni
Chief Clerk
South Carolina Public Service Commission
Post Office Drawer 11649
Columbia, South Carolina 29211

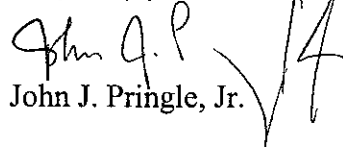
RE: Application of Phone1, Inc. for a Certificate of Public Convenience and Necessity to Provide Resold and Operator Assisted Interexchange Telecommunications Services Within the State of South Carolina and for Alternative Regulation First Granted in Docket No. 95-661-C
Docket No. 2006-260-C, Our File No. 1212-11385

Dear Mr. Terreni:

Enclosed is the original and one copy of Phone 1, Inc.'s unaudited financial statements as of 3/31/07, as well as Phone1Globalwide's (parent company) unaudited financial statements as of 3/31/07. These statements are submitted to the Commission per the requirements of Order No. 2007-226 issued by the Commission on April 4, 2007.

Please acknowledge your receipt of this document by file-stamping the copy of this letter enclosed, and returning it in the enclosed envelope. If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,


John J. Pringle, Jr.

JJP/cr

cc: Wendy B. Cartledge, Esquire
Mr. John Leith/Mr. Peter Yu
Ms. Monique Byrnes

Enclosures

THIS DOCUMENT IS AN EXACT DUPLICATE OF THE E-FILED COPY SUBMITTED TO THE COMMISSION IN ACCORDANCE WITH ITS ELECTRONIC FILING INSTRUCTIONS.

Phone1 Globalwide Consolidated Balance Sheet

Period: MAR-07 currency USD
UNAUDITED

<i>Consolidated</i>	
ASSETS	
CURRENT ASSETS	
CASH	522,666
Accounts Receivable	968,243
Prepaid Expenses and other current assets	317,762
Total current assets	1,808,671
Property and equipment, net	1,248,942
Deposits and Other	146,732
Intangible assets	5,641,272
Total assets	8,845,618
LIABILITIES AND STOCKHOLDERS' DEFICIT	
Current liabilities	
Accounts Payable	(420,240)
Accrued liabilities and other current liabilities	(2,258,138)
Total current liabilities	(2,678,378)
Total liabilities	(2,678,378)
Stockholders' equity	
Common stock	(180,340)
Treasury Stock	19
Additional paid in capital	(155,723,847)
Accumulated deficit	142,699,954
Accumulated Deficit Globaltron Brazil	-
Total stockholders' equity	(13,204,214)
Net Income/Loss	7,036,975
Total Liabilities and stockholders' equity	(8,845,618)

Consolidated Statements of Operation

PHONE1 GLOBALWIDE SET OF BOOKS

Period: MAR-07 currency USD

UNAUDITED

	<i>Consolidated</i>
Revenue	14,766,443
Expenses	
Cost of Sales	10,616,244
General And Administration	6,468,685
Depreciation and Amortization	2,526,178
Marketing & Promotion	1,924,134
Operating Loss	(6,768,798)
Other Income/Expense	
Interest, net	95,319
Other Expenses	172,859
Other Income	-
Net Loss	(7,036,975)

Profit and Loss Statement

Phone1, Inc.
Profit and Loss Statement
Period: MAR-07 currency USD

UNAUDITED

<i>Phone1</i>	
Revenue	(13,262,519)
Expenses	
Cost of Sales	8,709,561
General And Administration	4,356,687
Depreciation and Amortization	2,045,520
Marketing & Promotion	1,708,661
Operating Loss	3,557,910
Other Income/Expense	
Interest, net	110,078
Other Expenses	74,919
Other Income	-
Net Loss	3,742,907

Phone1, Inc.

Balance Sheets

Period: MAR-07 currency USD

UNAUDITED

<i>Phone1</i>	
ASSETS	
CURRENT ASSETS	
CASH	354,625
Accounts Receivable	885,939
Prepaid Expenses and other current assets	262,509
Total current assets	1,503,074
Property and equipment, net	799,568
Deposits and Other	50,108
Intangible assets	5,500,000
Intercompany	40,779,299
Total assets	48,632,049
LIABILITIES AND STOCKHOLDERS' DEFICIT	
Current liabilities	
Over Draft Facility	(4,797,050)
Accounts Payable	(327,361)
Accrued liabilities and other current liabilities	(1,948,012)
Total current liabilities	(7,072,423)
Longterm Liabilities	
Convertible loan payable - longterm	-
Capital Lease	-
Total longterm liabilities	-
Intercompany	(14,448,402)
Total liabilities	(21,520,825)
Stockholders' equity	
Convertible Preferred stock	-

Common stock	(100,214)
Capital Contribution - Phone1	-
Additional paid in capital	(67,481,285)
Accumulated deficit	36,727,369
Accumulated Deficit Globaltron Brazil	-
Total stockholders' equity	(30,854,131)
Net Income/Loss	3,742,907
Total Liabilities and stockholders' equity	(48,632,049)